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SUBJECT: ELECTION UPDATE: CENTER-RIGHT CANDIDATE LOURDES FLORES OPENS UP EIGHT POINT LEAD OVER ANTI-SYSTEM CANDIDATE OLLANTA HUMALA

REF: A. LIMA 382

¶B. LIMA 351

1C. LIMA 346

Sensitive but Unclassified. Please protect accordingly.

SUMMARY

11. (U) Center-right presidential candidate Lourdes Flores (Unidad Nacional alliance) has opened up an eight point lead (30-22 percent) over ultra-nationalist anti-system candidate Ollanta Humala (Union por el Peru - UPP) in the latest Apoyo consultancy poll. Ex-President Alan Garcia (APRA) is a further nine points back, former Interim President Valentin Paniagua (Centrist Front) has descended into single digits, and Fujimorista candidate Martha Chavez (Alliance for the Future) is starting to move up from the also-rans. Poll respondents continue to indicate that Flores would beat any of the other contenders in a run-off. With some 50 percent of the electorate still uncertain who they will actually vote for, however, it remains far too early to tell how this election is likely to come out. END SUMMARY.

THE LATEST POLL RESULTS

12. (U) The latest Apoyo poll, taken 1/25-27 in 30 urban centers (5000-plus population) around the country, asked interviewees who they would vote for if the election were held that day. The response was:

Lourdes Flores
two weeks before)
Ollanta Humala
Alan Garcia
Valentin Paniagua
Martha Chavez
None/Blank/Don't Know

30 percent (up five percent from (down six percent)

22 percent (down two percent)

4 percent (up two percent)

5 percent (down three percent)

18 percent (up six percent)

Should the election go to a second-round run-off, as seems likely since no/no candidate is anywhere near winning a first-round majority, the Apoyo poll indicated that Flores

would easily defeat each one of her three main challengers by margins of 18 percent or more; Humala would defeat Garcia (40-30 percent); and Paniagua would beat Humala (45-36 percent) and Garcia (47-28 percent).

- ¶3. (U) While Flores is pulling ahead, her support does not/not seem to be firm. Only 13 percent of poll respondents said that they were committed to her candidacy, while another 38 percent said that she was among their favored alternatives; Humala's numbers were 11 percent and 25 percent, respectively. Furthermore, the Apoyo survey found that the electorate remains highly volatile, with only 50 percent of those polled saying that they have made up their minds, 34 percent answering that they are mulling over two-three candidates, and 16 percent replying that they are undecided or uninformed.
- 14. (U) With respect to congressional preferences, the poll respondents indicated that the following parties would surpass the minimum threshold for winning a legislative seat of four percent of the national vote (our calculations of the approximate proportional number of congressional slots that each party would take are in brackets):

Unidad Nacional	18 percent (41 seats
APRA	13 percent (30 seats
UPP	11 percent (25 seats
Fujimorista parties	5 percent (12 seats
Centrist Front	5 percent (12 seats

CAMPAIGN DETAILS

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- $\underline{\P}$ 5. (U) Flores spent the past week campaigning outside of Lima, first in the most populous northern department, Piura, then in the most populous southern one, Arequipa. She continued to concentrate on social issues such as health and education, while pledging austerity and increased funding for port development (without Chilean involvement). The other parties took potshots at her campaign, concentrating their fire on her First Vice President running mate Arturo Woodman. Victor Garcia, President of Paniagua's Accion Popular party (and a congressional candidate for the Centrist Front) claimed that businessmen connected to Woodman had attempted to press Paniagua to quit the race and support Flores. APRA Congressman and party Co-Secretary General Jorge del Castillo accused an unidentified "international financial entity" with offering to reimburse Justicia Nacional candidate Jaime Salinas for his campaign expenses if he were to retire and transfer his support to Flores, a charge Salinas angrily denied. Meanwhile, the media, particularly leftist daily "La Republica, suggested that Woodman committed improprieties when acting as middleman in the 1999 concession to the Romero Group (which Woodman represented) of the port of Matarani in Arequipa; Woodman replied that he has twice been exonerated by investigating congressional committees. "La Republica" has also led the charge against Unidad Nacional congressional pre-candidate Horacio Canepa, claiming that the latter's acquittal on charges he helped orchestrate electoral fraud in 1995 had been arranged by Fujimori's national security advisor Vladimiro Montesinos.
- 16. (U) Ollanta Humala's campaign contined to be on the defensive. Human rights organizations presented increased evidence linking him to human rights violations connected to his 1992 service with an anti-terrorist unit in the Huallaga Valley, although none of the evidence is as yet conclusive (Septel). Independent Moralizing Front Congressman Gustavo Pacheco filed six criminal charges against Humala in connection with these incidents, as well as with the 2005 Andahuaylas uprising led by Humala's brother Antauro, and the Attorney General's Office has commenced an official investigation. Humala's First Vice Presdent running mate Carlos Torres was accused of sexual harassment by two former students; Torres denies the charges and Humala says he will stand by Torres unless the charges are proved. Meanwhile,

turmoil remains the rule within Humala's Peruvian Nationalist Party (PNP), many of whose members are upset at Humala's decision to only present candidates on the UPP list (the PNP will have 60 percent of those slots), as well as at their exclusion from the UPP slate. Finally, Humala and his top advisors are furiously trying to complete the UPP congressional list in time to meet the 2/8 registration deadline, their task complicated by media investigations showing that at least 18 of the pre-candidates are facing criminal charges or have previous convictions.

(U) Alan Garcia spent the week campaigning in Lima, Ancash and Piura, sounding populist themes (defense of the eight hour work-day, opposition to service contracts designed to circumvent labor protections, austerity in government salaries and publicity expenses, increased issuance of property titles). Valentin Paniagua also hit the campaign trail, visiting Ica and taking walking tours of markets and low-rent districts in Lima, where he told small textile producers that, if elected, he would look into reducing the Value Added Tax from 19 to 17 percent. Martha Chavez, accompanied by ex-President Fujimori's brother Santiago (her First Vice President running mate) and daughter Keiko (likely heading the Fujimorista congressional list in Piura), jump-started her campaign with some success, doubling her national poll preference and rising to six percent in Lima. President Alejandro Toledo's Peru Posible party was left without a presidential ticket after its candidate, Rafael Belaunde, formally withdrew from the race, ostensibly over disagreements concerning the party's congressional list.

COMMENT

18. (SBU) The eight-point gap opening up between Flores and Humala is a tenuous one. The shift in support to the Unidad

Nacional candidate may well be the result of a momentary polarization of the race between Flores and Humala following the latter's surge into a virtual tie for first in the polls two weeks ago. Quite simply, many supporters of Paniagua and other minor centrist canidates seem to have shifted their support to Flores as they saw her as the only candidate in a position to halt Humala. With Humala starting to fall in the polls, however, these voters could well move back to Paniagua, to a minor candidate, or to the ranks of the undecided. The candidate who now seems poised to make a move is Martha Chavez, who doubled her poll numbers and could soon overtake Paniagua, should the latter continue his steady descent. With Alberto Fujimori definitively disqualified from running, his followers appear to be getting their act together and uniting behind Chavez. END COMMENT.